

INFORMATION SERVICES INC.  
*Redefining the Industry Together™*

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**BUSINESS & LABOR**

EXHIBIT NO. 9

DATE 3-25-09

BILL NO. HB 286

March 16, 2009

(Sent via Email to Linda Keim)

Montana Senate Business and Labor Committee Members

Subject: Montana House Bill 286

Mr. Chairman and Members of the Committee:

The following comments relate to Montana House Bill 286 concerning automobile repair estimating. CCC Information Services Inc. ("CCC") has concerns with the bill because CCC does not believe that it properly accounts for the realities of the collision repair estimating process.

CCC was founded in 1980 and is a leading provider of advanced software, communications systems, and Internet and wireless enabled technology to the automotive claims and collision repair industries. Its customer base includes more than 350 insurance companies and over 20,000 collision repair facilities throughout the country.

HB 286 provides that insurance companies "may not ignore or disregard a repair operation or cost identified by an estimating system that an insurer and an automobile body repair business or location have agreed to utilize for determining the cost of repair."

We understand that one of CCC's products, CCC Pathways® Estimating Solution ("Pathways"), would be deemed an "estimating system" within the meaning of HB 286. Pathways is an automated estimating tool used by more than 100 repair facilities, independent appraisers and insurers in the state of Montana. These users are involved in processing nearly 25,000 vehicle damage claims worth more than \$68,000,000 in annual total repair costs in the state of Montana.

Pathways, like other similar offerings, is an estimating guide, or tool, designed to assist the estimator in writing an estimate that accurately reflects the operations, parts and labor needed to repair the damaged vehicle. In that regard, we believe that Pathways is the most comprehensive, current and accurate estimating product available on the market. The art of repairing a damaged vehicle and the process of writing an estimate that accurately reflects the work to be done to repair the vehicle, however, do not lend themselves in every instance to strict adherence to the estimating system's guides.

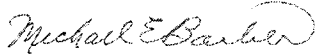
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Rather, repairers, estimators, and adjusters are responsible for ensuring that the estimate written is consistent with the work to be done to repair the damaged vehicle, and the estimating system guides are tools used in that process. In the course of writing a repair estimate, judgment and decision-making by the individual(s) physically inspecting the damaged vehicle are necessary. Pathways is designed to provide the flexibility for the estimator to make such choices within the estimating system or, in appropriate circumstances, to manually override the system, so that the resulting estimate reflects the actual work to be done. Sometimes those judgments and choices may cause an estimate to increase in cost, and sometimes they may cause an estimate to decrease in cost. Our concern with HB 286 is that, contrary to the foregoing facts, it is premised on the assumption that the "estimating system" provides the absolute, final answer for every aspect of every vehicle repair, which is not the case for any of these systems.

Thank you for the opportunity to provide comment. I hope this information is helpful in your deliberations concerning HB 286.

Sincerely,

A handwritten signature in cursive script, reading "Michael E. Barber".

Michael E. Barber  
Director, Regulatory Affairs

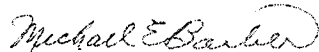
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Michael E. Barber  
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